

Get Real™

The Down and Dirty on Real Estate Investing

What's it Worth?

A study of those home valuation websites



A month doesn't go by that I don't overhear a conversation or am asked about those home valuation sites. You know the ones I am talking about? Zillow, Trulia, Cyberhomes to name just a few.

Many homeowners visit these sites in an attempt to get the value of their homes. Most of the time they want to know if it is worth it for them to sell their house, or at least see what they could get if they sold it.

The question then becomes can real estate investors use these sites to get accurate values of their homes. We are going to look at the three websites mentioned above and see how close they are to the real value of a property. One thing for sure I have learned, whether it is a website, a realtor or an appraiser you need to do your own homework to find out if the value they are giving you is a reasonable value for the property. I also realize that the value of any property is the amount someone else is willing to pay for it in a reasonable period of time.



We are wrapping up our three part series on marketing your properties. This month we are going through some of the basic advertising strategies that many use such as newspaper ads, signs and networking. These are old fashion but if done correctly can get your homes sold.

NOTES FROM THE EDITOR...

I might be a broken record but I am pretty sure I mentioned this last summer too. It is July now as you are reading this and you are smack dab in the middle of the summer blues. We all fall into it. The kids are out of school, you are taking vacation and we are all coming off of the fourth of July weekend.



It seems really easy to just coast along in our real estate investing efforts until the fall. We realize it will be less busy and the weather will be much cooler making it easier to look through those vacant homes with no a/c.

I just want to remind everyone not to let go of that dream. If you are just getting started or have been investing for a while I am pleading with you. You need to stay the course and be consistent. If you fall off the wagon for a couple of months you will end up not just three months behind but closer to 6 months. It takes time to ramp up marketing and plug into our network. I promise that keeping the fire this summer will get you closer to your dreams.

Judson Voss

CONTACT INFORMATION AND QUESTION SUBMISSION



Mailing Address

Roxx Productions, LLC
Get Real Newsletter
141 Quarter Ln,
Mooresville, NC 28117

Phone: 704-664-9687

Fax: 704-664-9687

Email:

newsletter@getrealrei.com

Questions!!

Got a question you would like to have us answer in depth here in the newsletter? We would love to hear from you. All you have to do is

send a quick email to

newsletter@getrealrei.com

and we will take a look.

Please provide your name, number and email in case we need to follow up with you and ask additional questions to make sure we get your question right.

Marketing Properties Part 3

In the last part of our series on selling and renting homes we are going to look at some of the most basic ways to get the word out about our properties. You may be using these methods already with varying degrees of success. I hope that you will pick up a couple tips throughout this article that will help you get more attention to your homes and rent or sell them more quickly.

As I have mentioned throughout this series one of the keys is consistency and diversity in whatever ways you market your properties. One single approach is not going to get your homes off the market quickly and a one shot deal never yields the results you are looking for even for the luckiest of real estate investors.

Let's look at some traditional methods of marketing to cast a wide net.

Newspaper Ads

This is probably the most common way people have used to market properties aside from the MLS. In the past, a large number of people looked to the

newspaper to rent or buy a home that was for sale by owner.

You can flip to the real estate section of your local newspaper and see the ads that appear there. You will see everything from small inline for sale by owner ads to large display ads of homes being offered by real estate brokers.



One thing every one of them has in common is they paid a pretty penny for that ad space. The larger your local area the more expensive the ad space can be. It is not unusual for a small 3 line ad with no pictures to run you between \$120-\$150 for one weekend run.

That means you can be paying up to \$600 per month for the ad.

While this might be a lot of money, if it is what gets your home sold, then it is well worth it. If it just sits in the ad with a couple of calls from time to time then you are throwing money out the window.

I know the question is then how do I know if my newspaper ads will work?

Marketing Properties Part 3

The easiest and best way is to be a part of your local real estate investors club. Everyone there will know if your local newspaper draws interest for selling or renting homes. If it works then everyone will advertise there.

If you either don't have a club in your area or have chosen to ignore my pleas for you to join your local club then I do have another solution. Though I promise it will take you some time but will save you some money potentially in the long run.

Your other choice is to talk to one or two of the realtors on your power team to find out what they think about newspaper ads or ads in your local real estate publications. They have either tried these methods or are currently using them.

I am often asked by new investors about neighborhood newspapers such as the penny savers, etc. Often times these ads are free or very low cost. If they are free then there is no reason not to put an ad in these papers. Free is a good thing.

If you have to pay for the ads then I would recommend against them. There are two main reasons. First of all most of the readers are not going to these publications to buy something big like a house. They are looking for garage

sale ads and used t.v.s for the most part.

The second reason they are often ineffective is the demographic. Since it is a neighborhood paper most of the people reading it live in the neighborhood where your home is for sale or rent. Very few people are looking to move from one home in their neighborhood to another. In fact the only time you would normally get a call from one of these ads is when a neighbor has a friend or family member looking to buy or rent in the area. While this can be a good lead there are more effective ways to market to the neighbors of the homes you are selling.

Signs

Many people think very little about advertising their homes for sale through a sign. Most investors will get a for sale sign at the local home improvement store and write a phone number on and stick it in the yard.

Again we should go back and look at our friend the realtor and take a cue from them. Do realtors put handwritten signs in the yard? No, instead they have professionally made signs with their company name, phone number and usually the brokers name.

Marketing Properties Part 3

These signs tell everyone looking at a home that the home is being sold by a professional who not only knows how to manage the deal but also is available at anytime to show the home to prospective buyers. This is what we want to say about our home too. I know many will argue that buyers like the idea of a for sale by owner because they save money with no commission involved.

In my personal experience I don't believe this is true. First of all, as we discussed a couple of months ago most homes are sold through the MLS so FSBO listings are not going to be the biggest seller. Secondly many of the calls I get from my yard sign are from realtors. They are often driving buyers through the neighborhood and the sign catches their attention. Realtors are much more comfortable calling on a sign that is from another real estate company than a FSBO.



They realize if they have to call a FSBO they will have to negotiate a commission on the deal. By definition they know the person selling the home themselves is trying to avoid a commission. This makes it an unattractive property to the realtor. I

want my signs to be realtor friendly and show them that I am a professional selling a home just like they are.

My signs for this reason say, "Home for Sale", it includes my phone number and then in small print the company name. This can be small print because no one needs to really know the name of my company just that it is a company selling the home. My favorite bandit sign printer makes these signs for me and they are very affordable compared to the pre-printed signs at the home improvement store.

The second most important marketing piece for your yard sign is the flyer box. This is a small box that is placed on or

Marketing Properties Part 3

near your sign that includes a flyer about the property. Last month we talked about email flyer services. A printout of those flyers is perfect for these boxes. The key to the box is that it keeps the rain out and it is close to the sign.

When you are starting out you will probably only have one home for sale or rent. There is no need to go out and buy a case of flyer boxes that will just take up room in the garage. Instead, I recommend for your first few homes that you head down to the home improvement store and purchase an "info tube." These tubes can be attached to the "h-stake" on your for sale sign and they keep the water out and flyers in. It is an affordable alternative that works well.

One of the most important aspects of flyers is to keep them well stocked. Too many people put out flyers on the first day and never check back. Nothing is more annoying to a potential buyer or tenant than to see the sign, see the info tube and then find no flyers inside.

They want to know about your home but in most cases will not call off your sign if no flyer. They want to know the price of the home and will often just assume it is too expensive and move on.

Photocopies are cheap so keep the tube well stocked.

Inevitably when you put out your sign and flyers the first 20 will be snatched up by all of the neighbors that walk by the house. They are all curious what you have the home listed for. For this reason make sure you check on your flyer inventory on a daily basis for the first week or so. After that you will find that the flyers last longer and won't need as much maintenance on your part.

Always carry two signs with you to your home for sale or rent. Obviously you will be putting one sign in the front yard but I would recommend a second sign goes in the front window in the home. Signs can always go missing or landscapers can forget to put it back up after cutting the grass. You don't want any down time on your marketing

FRIDAY, NOVEMBER 11, 2005
 10:00 A.M. TO 6:00 P.M.

5555 Canoga Avenue
 Woodland Hills, CA 91367
 818-712-8717

Metropolitan WARNER CENTER

The most exciting residential condominium community in the San Fernando Valley has arrived for broker participation, the Metropolitan Warner Center is a unique collection of surprisingly affordable one, two and three bedroom luxury condominium homes. This outstanding complex is conveniently located in the heart of the dynamic Warner Center where great entertainment, excellent shopping, fine restaurants and public transportation are all within walking distance. This is the exciting homeownership opportunity the entire San Fernando Valley has been waiting for. Come visit with us Friday, November 11th, and find out why.

2.5% Broker Fee

- Prices start in high \$200,000s
- Gated guarded community
- State-of-the-art fitness center
- Resort style pools & 9 tennis courts
- Gourmet granite club memberships in kitchen & bath
- Hardwood panel cabinetry
- Hardwood laminate flooring
- Designer selected carpet
- Free dining and shopping within walking distance

BROKER'S OPEN HOUSE

www.warnercenterliving.com

Marketing Properties Part 3

efforts to move that home. Keeping a sign in the window ensures that people will always know it is for sale.

It is important to have a sign in front of the home but this should not be the only signs you should have to market your home. Some people will be visiting your house by chance and others have appointments to view it. But there are so many more people that are traveling in the area and have no idea your home is available.

This is where directional signs come in handy. The key to directional signs is to get them to the area with the most vehicle traffic closest to the house. Our goal is to leave them a bread crumb trail to the home. We want it to be the shortest route as often times people can get lost and off track.

We need to be careful with directionals. I only want to place them in public areas, such as intersections, on utility poles, etc. If there is an intersection where this is not possible I will ask the home owners at that intersection if I can put up a sign in their yards. It may be necessary to only put up the signs on the weekend and

then take them down when we are done. That is ok as most people are looking on the weekends anyways. Avoid putting up signs in someone's yard without their permission. It will not make for a good neighbor relationship.

Other Investors

This is my secret weapon when I am selling and especially renting homes. OK, well it really isn't that much of a secret. Just about every investor I

network with uses the same strategy. For some reason new investors who have not networked with other investors don't believe this is a viable way to sell or rent a home.

The fact is that many well networked investors market their properties through other investors. This is even true when I am wholesaling a property. We all know

the adage, "Two heads are better than one." Well 50 other investors marketing my property is better than one also.

Many of my investor friends have buyers and renters coming to them through their marketing efforts. Most of the time if they are like me they will go



Marketing Properties Part 3

through a lot of buyers and are looking for something different from what they are selling. There is always a chance that my house could be what they are looking for. By referring the buyer to me there is a chance that at least one of us will sell a house. I in turn will return the favor when I have a buyer that would be a good fit for one of their houses.

Depending on your state and it's laws it may be legal to provide your friends with a referral fee for helping you get the home sold or rented to one of their prospects. Make sure you check with your state real estate commission before you pay out commissions that are not allowed in your state.

There are two really big requirements to using this strategy to market homes. The first is, I need to have other investors that I network with to sell my homes. That means I need to be out at all of the local meetings and sub-groups that meet in my area to talk about real estate. I want to know what other people have for sale and I want to let them know what I have. As you network you will get to know the people that have buyers looking for homes actively. You will also meet realtors at these meetings who will have clients looking for homes. Get all of the business cards you can.

The second thing I need once I have all of these contacts to sell houses is to let them know I have a home for sale. I make sure to never go to a real estate meeting without flyers of the homes I have available. At some point during the meeting there is usually a marketing time. I make sure to let everyone know I have a house available and hand out my flyers.

For all of the people who I have collected cards from over time I send them an email flyer of my property. I may or may not see them at a meeting again but they might have ready buyers. My goal is to get the information out to as many people as quickly as possible.

I am going to plead to you one last time here to take this strategy and run with it. For all of the high priced and fancy ways we can market our properties, this one strategy can be one of the least expensive and most effective ways to move your homes. Lone wolves rarely do well in the long term when it comes to real estate. Don't be one of them!

Power Team

In the spirit of getting the word out, I want to have my power team helping me out also. This may not get every home sold but since it is just an email it

Marketing Properties Part 3

takes almost no time to get the job done.

Your power team consists of the realtors, mortgage brokers, attorneys, accountants, appraisers, contractors, etc that you work with on a regular basis. These folks are all on your side. They want nothing more than you to be successful. In fact, if you sell a house and then have the money to buy the next that means they are getting more business.

Get the word out to your team or any other realtors or mortgage brokers you have met over time. Mortgage brokers especially have buyers that maybe couldn't get financed for the home they were looking to buy but instead may be able to qualify for your home. Make sure you email your flyer to each of these people.

Conclusion

For the past few months we have been going over many ideas on marketing properties for sale or rent. I hope that you have gotten some ideas on what you can do. The most important thing to keep in mind is to use these ideas and put them into action. Then after doing it once, you need to be persistent and continue to execute these action items. With persistence you will move those homes.

Home Value Sites

On a pretty regular basis the biggest question new investors have is how do you know what a house is worth. That is a great question. Whether you are buying or selling one of the biggest things that you need to know is the market value of the house. You only need to be off by 10% on your estimate and you could eat away at your profit.

By far the best way to know the value of a property is year's of experience and understanding the small local market you are farming for your deals. I realize that this is not something you can know at the beginning.

There is no instant pill to get all of that knowledge.

The second source I go to is my network of realtors. It is fairly quick and easy for a

realtor to do a CMA (Comparative Market Analysis) on a subject property for me. I can be somewhat confident in the accuracy of this number. Even with their number I still like to look at the data they used to double check it myself.

One of the most important parts of analyzing a property's value is to understand that the buck stops with you. Under no circumstances should you take anyone's opinion on the value of a property. Instead, you need to review the information they provide to see if it makes sense. If it doesn't that doesn't mean their information is not useable. Instead, you need to see where they went off of the track and adjust for it.

The only downside to utilizing a realtor's opinion on a property value is they can't do this for you many times a day. Sure once in a while on a property that you are pretty sure you are going to buy you can get away with it. If you send them to a realtor three times a day you probably will stop getting responses back.



The question became how can you get property values on a regular basis without having to tax your relationship with a realtor? The next obvious choice are the home valuation sites. The sites such as Zillow, Trulia, Cyberhomes etc have taken off in the past few years.

Home Value Sites

If you are buying houses on a regular basis no doubt you will come across many sellers who purely base their properties value on the Zillow report they are clenching in their hand. Sellers don't look at the numbers and information to see if it makes sense. If it says their \$135,000 house is worth \$200,000 they are dancing in the streets excited about their \$65,000 windfall. In the end they will be holding their homes for a longer period and making many reductions in sales price. You don't want to be in the same boat.

All of this did beg the question, "How accurate are these home valuation sites?" I decided that I would do a little research and see what we could come up with. The fact is, if we could use these sites to get close to the property value then we could save a lot of time and energy getting to know the price of a home.

First of all, let's talk about the non-scientific information. By this I mean what your uncle or neighbor says about these sites. I have had people tell me everything from these sites are very accurate to they are nowhere close to what the real price of the house is.

Another popular method for getting to an accurate number with these homes is to research them on 3 sites and then average the three numbers to get to an accurate number. The only problem with this method is if all three of the numbers are inaccurate, all you have is an average that you can't use to value your home.

I am going to take one subject property to analyze. It was pretty much picked at random. The home is in a neighborhood that is pretty stable so there aren't huge movements in price that could cause issues with these site's valuation strategies. I also chose this home because we have a consensus of what the home is worth. This allows us a basis to judge from that is somewhat accurate.

I am going to look at the same property on three different valuation websites; Zillow, Cyberhomes, Trulia. There are many other sites available but these



three tend to be the most trafficked websites for figuring out your home value.

We are going to analyze how close each of these sites are to the actual value of the property. We will look at the comparable sales for each site and

Wholesaling for Cash



Take advantage of quick cash without having to use any of your own money or ever owning a single home. Investors are still buying - Cash in by having an endless supply of homes to sell them!

This course includes...

- **190 Manual detailing how to build your buyer's list and cash in on wholesale deals!!**
- **6 Audio CD's**
- **1 Data Disc**

Added Discount!!!

Get a **\$50** discount on **Real Prospect**, THE Investor Software Solution. (**\$250** if purchased separately.) If you purchase when you buy **Wholesaling for Cash**.

The Course is Only \$497

\$697 with Real Prospect included.



www.wholesalingforcash.com

Home Value Sites

see how similar they are to the subject property and how close they are geographically.

While not a part of the accuracy test we are also going to look at the features from each of these sites and review what they offer in regards to our needs as real estate investors. Regardless of their valuation methods there are some great features on these sites we can use as real estate investors.

What to Look Out For

Before we get started on reviewing each of these sites we need to understand where some of our valuation models can go off the track. If we understand this it will be easier to decide how accurate a property valuation site is for your property.

Understanding the places that these sites can trip up will also help us adjust their pricing models to get a more accurate number. Many times we don't need to ignore their information completely but instead we may have to just remove a comparable sale or adjust a per square footage value. Then viola, we have a usable comparable sales number to value our property

The Comps

The first place I see any of the websites go off of the tracks is when they are using the wrong comparable sales. A comparable sale is a home that is similar enough to my home where as the recent sale price of this home would be indicative of the potential sale price of my home.

In theory, this makes sense to use the value of other recently sold homes to decide what the value of my home is going to be. In fact, for the most part this works too. When a realtor helps a client decide what to list a house for or help a buyer make an offer, they will often pull the recent sales of similar homes as a starting point.

If realtors are using this method for other homes, then when I list and sell my home they will do the same thing for me. By this I mean, they will pull up similar homes that have recently sold so they can guide their clients to an offer. Most likely they will offer something near my asking price because they realize the house is worth very close to what I am asking for it.

The only reason this could go wrong is if we are not using the right homes to do our comparative market analysis. Let's look at the most common reasons a target property for a CMA is the wrong home.

Available Now...

Get Real, Get the Deals, Judson and Lynn's Marketing Course



Home Value Sites

Distance

This is not a hard and fast rule for a comparable sale but for me I don't want to be more than a mile away from the home I am looking at valuing. In fact, many mortgage companies don't let appraisers even go this far out. The reason is that in a city that is dense, a one mile radius is a really large area. You really should be able to find similar homes sold within a mile of the home. In rural areas, you may need to expand your radius to get some sales. This is normal and necessary. Just keep in mind that you need to make sure the rest of our criteria is fulfilled to get an accurate number.

Quality

Not every home was created equally. Construction quality can vary greatly between homes. When a home is older, it may have been remodeled. The quality of the work and how recent it was can make a large difference in the value of a home. Some appraisers will tell you that minor differences will not change the value of a home. I can promise you though if there is a home with new oak kitchen cabinets with granite countertops next to a home with older painted plywood cabinets with a laminate countertop the first home is going to sell for more money.

You need to also make sure that the homes you are comparing to are not new construction when yours is older or the other way around. Just because you have two homes that are 3 bedroom, 2 bath, 2,000 sq ft houses they may vary greatly if one was built in 1969 and the other was just finished last month. Remember numbers are not everything.

Size

When you are pressed to find homes that have sold recently in your area, you can start looking at other homes that aren't as similar as you may want. I find that it is really important to have a home of similar size. I would have trouble comparing a 3 bedroom, 2 bath house to a 2 bedroom, 2 bath house. The fact is, the market for buyers that are looking for each of these homes are very different so the prices may be very different.

I am also careful about the square footage of a home. If I am comparing a 3 bedroom, 2 bath that is 1,700 square feet to a 3 bedroom, 2 bath house that is 1,500 square feet then we are talking about similar sized homes. I will probably have to make an adjustment for the square footage difference but it is not a huge difference.

Pick Your Future in One Day



Cut years off of your learning curve and start investing in YOUR real estate investing future today!!

This course includes...

- **5 DVD's**
- **4 Audio CD's**
- **Data Disc that includes a 77 page ebook to follow along with**
- **Forms to pick the right strategy for you**

ALL for Only \$199!!

Finally answer the question, "Where do I Start?".

www.getrealrei.com/pick

Home Value Sites

At the same time, if I have a 3 bedroom, 2 bath home that is 1,500 square feet it is really tough to compare it to a 3 bedroom, 2 bath home with a 2,500 square foot layout. These are two different classes of home. That means if I try to say that the 2,500 square foot home is worth 40% more than the 1,500 square foot home, I am probably going to be incorrect just because it has 40% more square feet.

Seller Concessions

Just because a home shows on the property tax records as being sold for

\$200,000 this can be misleading. I know you are wondering with a puzzled look on your face, how can that be if it is recorded on the tax record. The answer is seller concessions. A seller concession is when the sellers give the buyers something so they can buy the house. This can be something simple like a free \$300 tv. That wouldn't really matter much to us. Even more common is the seller paying for closing costs on the house. This can be somewhat significant because in many cases this can add up to as much as \$2,500 or more.

There are other seller concessions that can be even more important for us to understand. What if a home sold for \$200,000 but the seller gave the buyer \$10,000 towards their down payment? While a lender may approve this type of concession it really doesn't show us what the house really sold for. Instead this home sold for \$190,000. This would be important information for us to know. There is only one place for us to find this information, the MLS.



Analysis

Subject Property

The property we chose for

this analysis is a 3 bedroom, 2 bath home that is 2,000 square feet. The home was built in 1969 and is a partial brick split level home. It is in an older neighborhood with many homeowners who take pride in ownership and there are also a few rentals in this neighborhood. It is a classic working class neighborhood that would be great for lease/options and rentals.

Sites

As I have mentioned, we chose three of the most popular home evaluation sites

Home Value Sites

to see if they can help us as investors develop an accurate home value. The three sites we chose were Zillow, Trulia and Cyberhomes. Each site provides similar information with a few twists.

Zillow

Zillow is one of the oldest sites that has been providing information on home valuations. On top of gathering data from the property tax records, Zillow also relies on users like us to provide information on the value of homes. You can also upload other information such as pictures to enhance the listing of your home. You can also update information on Zillow for your own home if the data is incorrect.

The Main Screen

As you can see the Zillow main screen provides a “Zestimate” for the value of the home. They have estimated the value of the home to be \$154,000. They provide a picture of the home from an aerial view and the basic information on the house. You can see

1026 Vandalia Dr Charlotte NC 28212
3 beds, 3.0 baths, 2,000 sq ft

Zestimate®: \$154,000 ?

My Estimate: [CREATE](#)

Monthly Payment: **\$ 679** [EDIT](#) [ING DIRECT 5/1 ARM-See Rates today!](#)

Need to refi? [Get lots of mortgage quotes...](#) one is not enough.

Bird's Eye View [ADD](#) [EDIT PHOTOS](#)

Home Info [EDIT](#)

Public Facts:

- Single family
- 3 beds
- 3.0 bath
- 2,000 sqft
- Lot 12,763 sqft
- Built in 1969

[See all home info for 1026 Vandalia Dr](#)

we get the beds and baths, square footage, lot size and the year the home was built. In this case, all of the information they provided on the property is accurate.

Home Value Sites

Comparable Sales

The first page of Zillow also provides a comparable sales box in which they provide 4 of the closest comparable sales. They also allow you a link to look for more comparable sales in the same area. As you can see our comparable sales range from \$156,000 down to \$129,500.

One interesting item is Zillow provides an average per square foot price for our subject home and one for all of the comparable sales. You will notice that our home has an \$11 per square foot higher value than the comparable sales. In most cases, this is due to the fact that there may be a low priced home in the mix or a home that is smaller than ours or has less beds or baths.

Comparable Sale 1

When we look at this sale we will notice that it has the same number of beds and baths but a little bit smaller square footage at 1,647. This home recently sold for \$156,000. That is \$2,000 more than our home, which is

6423 Farmingdale Dr Charlotte NC 28212
3 beds, 2.0 baths, 1,647 sq ft

🏠 **Recently Sold: \$156,000**

My Estimate: [CREATE](#)

Monthly Payment: **\$ 688** [EDIT](#) [ING DIRECT 5/1 ARM-See Rates today!](#)

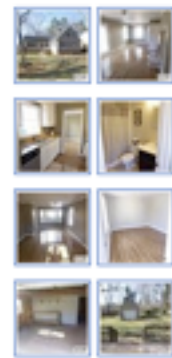
💡 Need to refi? [Get lots of mortgage quotes... one is not enough.](#)

Photos

[ADD](#) [EDIT PHOTOS](#)



Listing partner provided image [?](#) [P](#)



▶ See all 24 big photos

Home Info

[EDIT](#)

Owner Facts:

- Single family
- 3 beds
- 2.0 bath
- 1,647 sqft
- Lot 11,761 sqft
- Built in 1973

Home Description:

2k in closing costs. Come and see the pride of Coventry woods. This home has been completely renovated and looks amazing. Features included brand new hardwood floors, granite, stainless apps, new roof, updated bathrooms, detached garage with tons of storage, and a gigantic deck for entertaining. This house really shines! If you are looking for older charm with updated finishes, this is for you!!

▶ See all home info for 6423 Farmingdale Dr

larger. This means we should be curious why it is more than our house.

Luckily, Zillow has quite a few recent

Awesome Deal for Beginners

[Pick Your Future in a Day, Learn the right way to invest FAST!](#)



Home Value Sites

pictures of the home. You can review the pictures by **clicking here**. When we review the pictures we can see that this home has been recently updated. The kitchen is updated in a modern tone and is in very good shape. Our home, I can tell you, is a little older looking and does not have many of these modern updates.

Comparable Sale 2

As you can see from the information this home is very similar in size to comparable one and has the same number of beds and baths. As we look at the pictures by **clicking here**, we see that this home is fairly modern inside and has obviously been updated since being built in 1964.

5526 Amity Pl Charlotte NC 28212
3 beds, 2.0 baths, 1,700 sq ft


🏠 **Recently Sold: \$146,000**

My Estimate: [CREATE](#)


Monthly Payment: **\$ 644** [EDIT](#) [ING DIRECT 5/1 ARM-See Rates today!](#)

💡 Need to refi? [Get lots of mortgage quotes...](#) one is not enough.

Photos [ADD](#) [EDIT PHOTOS](#)



©2008 CMLS



▶ See all 7 big photos

Home Info [EDIT](#)

Owner Facts:

- 3 beds
- 2.0 bath
- 1,700 sqft
- Lot 12,066 sqft
- Built in 1964

▶ See all home info for 5526 Amity Pl

Home Value Sites

Comparable Sale 3

This home is the lowest valued home at only \$129,500. It is interesting too because the home has one more bedroom and bathroom and is about the same number of square feet.

Unfortunately, we cannot see the inside pictures on this home but we can assume from the outside that this home may not be in the same condition of the other homes. It definitely does not have the same curb appeal.

Results

Reviewing the comparable sales, I would be somewhat confident in the accuracy of the first two comps. These homes are similar in quality, size and home type. Furthermore, these comparable sales are in the same area as the subject home.

Cyberhomes

Cyberhomes is a valuation service that is owned by Fidelity Financial, who themselves provides mortgages and other homeowner services. Their service was created as a way to

2223 Knickerbocker Dr Charlotte NC 28212
4 beds, 3.0 baths, 2,050 sq ft

🏠 **Recently Sold: \$129,500**

My Estimate: [CREATE](#)

Monthly Payment: **\$ 571** [EDIT](#) [ING DIRECT 5/1 ARM-See Rates today!](#)

💡 Need to refi? [Get lots of mortgage quotes...](#) one is not enough.

Bird's Eye View [ADD | EDIT PHOTOS](#)



▶ See a [Street View](#) or larger [Bird's Eye View](#) for 2223 Knickerbocker Dr

Home Info [EDIT](#)

- Owner Facts:
- Single family
 - 4 beds
 - 3.0 bath
 - Lot 13,068 sqft
 - Built in 1971

▶ See all home info for 2223 Knickerbocker Dr

advertise their home related financial services.

Awesome Deal for Beginners

[Pick Your Future in a Day, Learn the right way to invest FAST!](#)

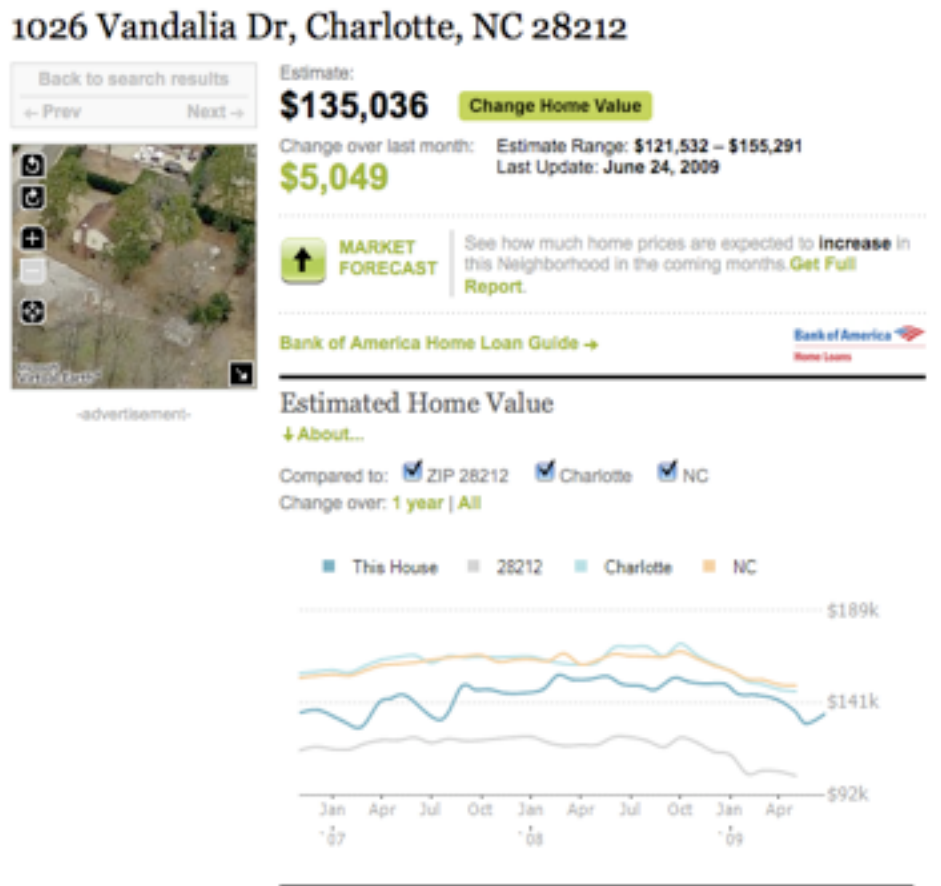


Home Value Sites

Value Screen

As you can see from the value screen for Cyberhomes they have valued the home much lower than Zillow. It even shows that there has been a \$5,000 increase in the value in the last month. This 4% change seems like a large change in a one month period. In fact, the Charlotte market is appreciating about 2% a year or less this year. These changes might be indicative of a group of comparable sales that are off because of a recent comp that is much higher.

You will notice the comparable range is lower than Zillow also. Depending on the normal value of homes in the area some of these homes that are near \$122,000 may either be poor comparable sales or may also be homes that have been foreclosed on. If a home is taken back by the bank it will show up on the property tax records as



a recent sale and the sales amount will be whatever the loan amount was for.

Comparable Sales Report

Cyberhomes comparable sales are much different than the comparable sales from Zillow. The first item I noticed is that only one of the four sales is from 2009. The other three are from 2007. These sales are too old to be used as a comparable sale. This may account for the lower valuation. If homes increase in value over time, a

Home Value Sites

sale that is up to two years old is not accurate anymore. In many parts of the country there has been a decline in value and a two year sale may be much higher than the current value.


Comparable 1

The first comparable sale is a similar home to the subject property. It has the same number of beds and one more bathroom. It is about 200 square feet smaller than the subject home. It was built in 1968 which is one year earlier than our home. All in all, this is a very similar home in characteristics and style. I would say this home would be a good comparable.

4806 Pandora Ct, Charlotte, NC 28212

Back to search results

← Prev Next →



Estimate:

\$167,607 Change Home Value

Change over last month: **-\$396** Estimate Range: \$150,846 – \$192,748
Last Update: June 24, 2009

↑ MARKET FORECAST

See how much home prices are expected to **increase** in this Neighborhood in the coming months. [Get Full Report.](#)

Bank of America Home Loan Guide →

Bank of America Home Loans

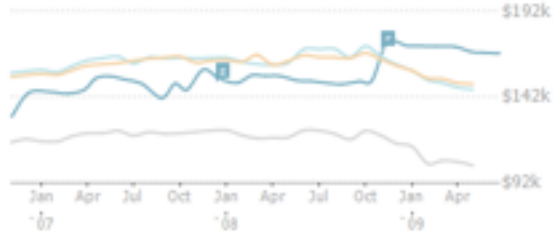
Estimated Home Value

↓ About...

Compared to: ZIP 28212 Charlotte NC

Change over: **1 year** | All

■ This House ■ 28212 ■ Charlotte ■ NC



Home Facts

Estimate Range	\$150,846 – \$192,748
Bedrooms	3
Bathrooms	3
Living Area	1,900 Sq feet
Lot Size	14,375 Sq feet
Type	Single Family
Parcel	133-032-35
County	Mecklenburg
Year Built	1968
Total Rooms	—

The major problem with this property is that it sold in 2007. This would disqualify the property from any comparable analysis I would perform. It is somewhat unfortunate because this home is consistent in price just like

many of the homes in the neighborhood we found on Zillow.



Home Value Sites

Comparable 2

This home, as we can see, is similar to the first comparable in beds, baths and square footage. The home was built around the same time and would make a good comparable to our subject property.

This is the only home in the analysis that was sold in 2009. If you look above the estimate price you will see that this home is a foreclosure. The foreclosure took place in February and the bank took it back for \$116,000 (refer to the comparable sale summary screen.)

The problem with this information is that it is not a real sale. This sales data is going to reduce the estimated value of the home in a false way. On the upside it is good to know that there are foreclosures in the market. If too many of the sales are foreclosures this will reduce the value of the homes in the area. For this reason, it is a nice

5111 Coronado Dr, Charlotte, NC 28212



Back to search results
 ← Prev Next →

FORECLOSURE
\$113,355

3 Bedrooms
3 Bathrooms
 Home Size
1,963 Sq feet

Home Type
Single Family
 Days on Market
3 days

[Bank of America Home Loan Guide →](#) [Bank of America Home Loans](#)

Home Facts	Public Facts	Listing Facts
Estimate Range	—	—
Bedrooms	3	3
Bathrooms	2	3
Living Area	1,963 Sq feet	1,963 Sq feet
Lot Size	10,454 Sq feet	—
Type	Single Family	Single Family
Parcel	133-071-19	—
County	Mecklenburg	MECKLENBURG
Year Built	1971	1971
Total Rooms	—	—
Heating	Yes	—
Cooling	Central	—
Number of Stories	—	—
Legal Description	L23B7M14-313 5111 CORONADO DR	—

feature from Cyberhomes to see this data.

Comparable 3

The last comparable sale from Cyberhomes is a home that was also last sold in 2007 making it too old to be accurate information. This home is similar to our subject property in size, beds and baths just like the other homes in our analysis. It appears that Cyberhomes looks first for size matches and then looks at date

Home Value Sites

information second. In my opinion, this can cause issues with the valuation of the home.

I have one other issue with Cyberhomes valuation. The last sales amount for this home was \$133,000 in 2007. Today they are stating the estimate is \$122,000 and that is an \$11,000 increase over the last month. Since the Charlotte market has had increasing home prices in the last two years I would say that an \$11,000 decrease in value is inaccurate. On top of this, an \$11,000 increase over the last month is too inconsistent.

While the valuation methods and sales data may not be of the highest quality on Cyberhomes they do have one nice feature on their site. From the main page you can create a report on the home that provides comparable sales, the price estimate, neighborhood data, demographics for the area and the school district data.

If you are able to get a good estimate value from Cyberhomes or adjust it

yourself then this report would be a nice addition to your marketing efforts for information left at the house. **Click Here** and you can download the report from this subject property as an example.

Trulia

1026 Vandalia Dr, Charlotte NC 28212
3 br | 3 ba | 2,000 sqft | Single-Family Home

Most recent sale
Feb 28th, 2003
[Request professional valuation](#)
[Check your credit score](#)

Overview | Map | Compare | Price Trends | Local Area | Schools

Description provided by Trulia.
This is a Single-Family Home located at 1026 Vandalia Drive, Charlotte NC. 1026 Vandalia Dr has 3 beds, 3 baths, and approximately 2,000 square feet. The property has a lot size of 12,632 square feet and was built in 1969. The average list price for similar homes for sale is \$119,967 and the average sales price for similar recently sold homes is \$140,432. 1026 Vandalia Dr is in the 28212 ZIP code in Charlotte, NC. The average list price for ZIP code 28212 is \$117,622.

Contact Agent
123 Movers - Get Free Moving Quotes Now

View large map

Home facts for 1026 Vandalia Dr

Listing Details		Public Records	
Full bathrooms	3	Street #	1026
Year built	1969	Street	Vandalia Dr
ZIP code	28212	City	Charlotte
		ZIP code	28212
		Beds	3
		Baths	3.0
		Year built	1969
		Sqft	2,000 sqft
		Lot Size	0.29 acres

Price History

Date	Event	Price	Source
02/28/2003	Sold	\$119,851	Public record

Home Value Sites

Trulia is a service that was started by a group of experienced dotcomers who wanted to create a service that would provide more information on real estate than just the value of properties.


Comparable Sales

One interesting feature from trulia is they do not only show the recently sold homes but they also provide homes that are on the market in your area. This can be very useful information. Anytime you get a CMA from a realtor they will provide recently sold homes but will also include homes that are on the market so you can review the competition.

I really like the fact that the comparable sales page also includes a map so we can see where the recently sold homes and homes for sale are located. As you can see most of the homes are in the same area as our subject property. It is useful to be able to see this at a glance instead of having to map each property.

Comparable properties for 1026 Vandala Dr, Charlotte

Similar homes for sale \$119,967 Recently sold homes \$140,432



Compare to

<input type="checkbox"/> This property	Distance	List price	Property type	Beds	Baths	Sqft	Price/sqft
<input type="checkbox"/> 6201 Bainbridge Rd	0.61 mi	\$119,000	Single-Family Home	3	2	1,509 sqft	\$79
<input type="checkbox"/> 5808 Sunset Chase Ln	0.45 mi	\$100,000	Single-Family Home	3	2	1,150 sqft	\$87
<input type="checkbox"/> 6411 Farmingdale Dr	0.20 mi	\$128,000	Single-Family Home	3	2	--	--
<input type="checkbox"/> 924 Pinalone Dr	1.37 mi	\$139,999	Single-Family Home	3	2	1,700 sqft	\$82
<input type="checkbox"/> 4133 Robinwood Dr	1.73 mi	\$117,900	Single-Family Home	3	2 1/2	2,051 sqft	\$57
<input type="checkbox"/> 1500 Collier Ct	0.72 mi	\$114,900	Single-Family Home	3	1 1/2	1,068 sqft	\$108

Average listing price \$119,967

<input type="checkbox"/> Recently Sold	Distance	Sold price	Property type	Beds	Baths	Sqft	Price/sqft
<input type="checkbox"/> 6423 Farmingdale Dr	0.18 mi	\$156,000	Single-Family Home	3	2	1,647 sqft	\$95
<input type="checkbox"/> 2223 Knickerbocker Dr	0.86 mi	\$129,500	Single-Family Home	4	2 1/2	2,050 sqft	\$63
<input type="checkbox"/> 1527 Briarfield Dr	0.94 mi	\$165,000	Single-Family Home	3	1 1/2	1,466 sqft	\$113
<input type="checkbox"/> 2800 Allenton Trails Ln	1.11 mi	\$93,728	Single-Family Home	3	2 1/2	1,612 sqft	\$58
<input type="checkbox"/> 1723 Progress Ln	1.47 mi	\$191,000	Single-Family Home	4	3	2,078 sqft	\$92
<input type="checkbox"/> 6716 Raddman Rd	0.38 mi	\$107,361	Single-Family Home	3	1 1/2	1,629 sqft	\$66

By reviewing the recently sold homes at a glance you can see that the first two comparable sales are the same as two of our homes from Zillow. Trulia provides a lot of information at a glance so you can decide which comps to review more in depth.

Home Value Sites





Compare It

Instead of showing a report for each of

comparable sale sold for \$165,000 which is more than any other sale we have reviewed. You will also notice that

Compare It! —side by side home comparison «Back

✕ Remove
✕ Remove
✕ Remove
✕ Remove

Property summary

Address	6423 Farmingdale Dr Charlotte, NC 28212	2223 Knickerbocker Dr Charlotte, NC 28212	1527 Briarfield Dr Charlotte, NC 28205	1026 Vandalla Dr Charlotte, NC 28212
Price	\$156,000	\$129,500	\$165,000	—
Status	sold on May 27th, 2009	sold on May 19th, 2009	sold on May 18th, 2009	sold on Feb 28th, 2003
Open House	—	—	—	—
Listing type	sold	sold	sold	sold
Bedrooms	3 br	4 br	3 br	3 br
Bathrooms	2 ba	2 ½ ba	1 ½ ba	3 ba
Square feet	1,647 sqft	2,050 sqft	1,466 sqft	2,000 sqft
Price per sqft	\$95 /sqft	\$63 /sqft	\$113 /sqft	\$60 /sqft
Property type	Single-Family Home	Single-Family Home	Single-Family Home	Single-Family Home
Days on Trulia	—	—	—	—
Neighborhood	North Sharon Amity	East Forest	Sheffield Park	—
County	Mecklenburg	Mecklenburg	Mecklenburg	Mecklenburg
Year built	1973	1971	1961	1969
Lot size	11,761 sqft	12,632 sqft	14,810 sqft	12,632 sqft
Broker	—	—	—	—

the comparable sales I chose to use the compare it option where all of the comparable sales I chose and the subject property show up on the same screen for easy analysis.

As you can see in our first two comparable sales are the same as Zillow so we don't need to review that information again. The third

the home is smaller than our subject property. It also only has 1.5 baths which is much different than a two bathroom home.

I would say that this comparable is not a comparable sale. Since it is so far out of range of every other sale we are looking at, I would say this is either bad data or it is a home that is in a different

Home Value Sites

neighborhood with much higher property values.

Overall, there is a lot of good data available from Trulia and the information can be adjusted to view different comparable sales side by side to your subject property. With its flexibility, it is a good solution to review your property values.

The Results

So the question is how accurate are these websites for gathering data on the value of a home. I can tell you that none are 100% accurate, out of the box, with the data they provide. I would also be very careful to not just blindly follow the data they provide.

Let's talk about our home. I can tell you that this home is worth around \$155,000-\$160,000. It is really important that we realize that a home's value can vary by around 10%. There is always a little wiggle room. As people say the value of something is only what someone is willing to pay for it. To get to an exact number would be difficult.

Considering our home's value is around \$155,000-\$160,000 it looks like Zillow is the most accurate service for this home's value. They valued the

property at \$154,000 which is right in line with the actual value of the home.

Cyberhomes and Trulia came in at \$135,000 and \$140,000 respectively. I believe that Cyberhomes value was due to using two year old sales comparables. Trulia is also using lower priced homes including foreclosed properties for sales data.

Even though these services were not accurate with their estimate it does not mean I would not use their services. In fact, they provide a lot of good data and services.

Cyberhomes shows recently solds and denotes if they are foreclosures. This is good information to have so that I know not to include these homes in my analysis. They may be homes that I am using from other services such as Zillow and I can cross reference to Cyberhomes to make sure I avoid these houses.

I also like the customized 18 page report that Cyberhomes provides for free. This can be great once I have bought a home. I can now use this as a marketing tool without much work on my part at all.

Trulia on the other hand has a very nice listing system where you can see all of the recent sales and homes that are on

Home Value Sites

the market all on one screen. It allows me to customize my analysis and include both types of listings. It also provides a good view of where the homes are.

Over time and with some practice, I think you can get some good data points to do your own comparative market analysis for your properties.

I also like Trulia's "compare it" tool so that I can review a group of comparable sales all at a glance on one screen. I can then later review more detailed information about the property through Trulia or go back to Zillow and review information such as pictures. Zillow seems to have more pictures on the properties than any other service.

The Final Word

In my opinion, if you go into the process with the understanding that some information is going to be incorrect and you know what to look out for, you can come up with a pretty accurate valuation for a home by using these services.

If you are looking for a one click solution then you will probably be disappointed with any of the services. You are going to have to do your homework and know the neighborhoods you are investing in. You also need to investigate each of the comparable sales you are given to see if they are truly comparable sales and that the data is accurate.

Upcoming Events

Meet Judson Live & Learn

We have been taking it easy this summer.

If you or your group is looking for a speaker for this fall just call 704-664-9687 or email us at customersvc@getrealrei.com

Would you like Judson to Speak at your Club?

Email customersvc@getrealrei.com to schedule a speaking engagement

Got a Good Story??



Tell us About it...

We would love to hear about your real estate investing triumphs and trials. So many of our listeners really enjoy hearing what other investors just like you are doing around the country. It makes us all feel better to know that others are going through the same things we are.

Email us at getrealshow@getrealrei.com or call 800-878-4982. If we talk with you on the air you will get a special real estate education gift from us.